

S.C. PUBLIC SERVICE COMMISSION
JUL 05 2001
RECEIVED

BEFORE

THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NO. 2000-0207-W/S

RECEIVED
JUL 05 2001
S.C. PUBLIC SERVICE COMMISSION

IN RE:

Application of Carolina Water Service,
Inc. for adjustment of rates and
charges for the provision of water and sewer
service.

PRE-FILED REBUTTAL
TESTIMONY OF
CARL DANIEL ON BEHALF
OF APPLICANT

Q. Mr. Daniel, were you present at the night hearing in this case held at the River Hills
Community Church on June 18th?

A. Yes, I was.

Q. Did you hear the testimony of Mr. Larry Falls as Chairman of the Board of Trustees
for Clover School District Number 2 of York County regarding its position with respect
to the Company's application for rate relief?

A. Yes, I did.

Q. Do you agree with Mr. Falls description of the causes for litigation that took place
between the Company and the Town of Clover and the School District?

A. No, I do not.

Q. Would you please explain what disagreement you have in that regard?

A. Yes. The assertion that it was necessary for the School District to litigate with the Company
because the Company had no "tap fees" in place is simply untrue. First, and as the
Commission is aware, the Company has plant impact fees and connection fees authorized in
its current rate schedule, which dates back to 1994. The litigation mentioned by Mr. Falls
took place in 1999. Secondly, the Company contacted School District officials in the latter
part of 1997 to inquire regarding the provision of service to the proposed Crowders Creek

RETURN DATE: OK DJ

SERVICE: OK DJ

1 Elementary and Middle Schools Complex. At that time, a written explanation of the rates
2 and charges applicable under the Company's approved rate schedule was supplied to the
3 School District. Following that discussion, the School District wrote to the Company on
4 January 30, 1998, specifically for the purpose of determining the Company's charges –
5 including "tap fees" – for the project proposed. (Rebuttal Exhibit CD-1). On February 12,
6 1998, the Company responded to the School District with a detailed explanation of the
7 charges for the proposed project – including plant impact and connection fees for the
8 Company and tap fees for York County. (Rebuttal Exhibit CD-2). Thereafter, we did not
9 hear anything further from the School District, but became aware that construction on the
10 proposed project was scheduled to commence soon. On June 11, 1998, the Company again
11 wrote to the School District regarding the proposed project. (Rebuttal Exhibit CD-3). In that
12 letter, we reminded the School District that we were the franchised service provider for the
13 area in which the proposed project was located and asked that they provide us with water and
14 sewer utility construction plans for review, approval and planning purposes. The Company
15 never received the courtesy of a response to the June 11, 1998 letter. The assertion that we
16 had no tap fees in place, and that this led to a lawsuit, is simply untrue.

17
18 **Q. What, then, did lead to the litigation Mr. Falls referred to?**

19 **A.** In the fall of 1998, it came to the Company's attention that the School District intended to
20 construct utility lines some 1.7 miles in length inside our Commission certificated and
21 County franchised service area along a Duke Power right of way and that these lines were
22 to be connected to mains operated by the Town of Clover located outside our service area.
23 We immediately wrote to York County and asked that it use its authority to enforce our rights
24 under our franchise agreement with the County. (Rebuttal Exhibit CD-4). Although the
25 Company received no response to this request, we did learn that the County had not
26 consented to the extension of lines by the School District to connect to the Town's facilities.
27 When the Company observed construction in the Duke right of way in February of 1999, we
28 instituted legal action against the Town of Clover and the School District to protect our
29 rights. The basis for our action was that the School District and the Town were violating

1 provisions of South Carolina statutes and the York County Code which prohibit public
2 entities from providing water and sewer services in the designated service area of a county
3 unless the county consents. Our service area is in the York County designated service area.
4

5 **Q. What transpired next?**

6 **A.** The School District and the Town defended against our lawsuit, asserting that they had the
7 right to extend lines inside our service area and did not require York County's consent to do
8 so. We obtained an injunction from the South Carolina Court of Appeals, which enjoined
9 the School District and the Town from extending these lines until such time as York County
10 consented to their activity. (Rebuttal Exhibit CD-5). The School District and the Town then
11 attempted to obtain consent from York County. We pointed out to York County that it had
12 issued some \$17 million in bonds for its water and sewer system, the proceeds of which had
13 been used in part to construct water and sewer main lines on Highway 274 – directly in front
14 of the project site – to be used by the Company in providing water and sewer service in its
15 franchised area. Understandably, we think the County decided that it could not forego the
16 bulk service revenues it would receive from as large a user as two schools and decided not
17 to grant the consent.
18

19 **Q. Did that bring an end to the litigation?**

20 **A.** Unfortunately, no. After having been enjoined by the Court of Appeals and being unable to
21 gain the County's consent, the School District made an effort to have DHEC permit a
22 temporary water and sewer facility in which it would use water from a well on site and utilize
23 some of the sewer facilities it had already constructed as a holding tank for influent which
24 would be transported to another sewer treatment facility. It appeared to us that the School
25 District's plan was to use this temporary arrangement until such time as it could convince
26 York County council to grant the consent it needed under the terms of the Court of Appeals'
27 injunction. We contested the School District's DHEC permit applications on a number of
28 grounds, not the least of which was that services were already available to the site and that
29 there was no basis in the DHEC regulations for granting temporary permits.

1 **Q. What happened then?**

2 **A.** DHEC did not issue the permits and settlement discussions with the School District ensued.
3 We were asked by York County to consider some reduction in the plant impact fees and
4 connection charges that the School District would have to pay to connect to our system.
5 York County indicated that it would waive its tap fees if the case could be resolved. We
6 recognized that the County was under political pressure from the Town and the School
7 District, so we agreed to a settlement.

8
9 **Q. What were the terms of this settlement?**

10 **A.** Primarily, we agreed to waive the \$74,200 in plant impact and connection fees that we had
11 quoted to the School District in our letter of February 12, 1998. In exchange for this, the
12 School District agreed that it would not seek to have any other entity provide the Crowders
13 Creek School Complex with water and sewer utility services. The lawsuit was then
14 dismissed.

15
16 **Q. Did you have this settlement agreement approved by the Commission?**

17 **A.** Yes, we did. We submitted the September 9, 1999 Settlement Agreement (Rebuttal Exhibit
18 CD-6) to the Commission and, in its Order Number 1999-660, Docket Number 1999-365-
19 W/S, dated September 17, 1999, the Commission approved the Company's request for
20 approval of the agreement. The School District wrote an August 25, 1999 letter to the
21 Commission in which it supported the Company's request, specifically stating that it was in
22 the interest of the Company's customers that the water demand and sewer flow from the
23 project be added to the Company's system. (Rebuttal Exhibit CD-7). Likewise, York
24 County wrote to the Commission on August 30, 1999 in support of the Company's request
25 – also stating that it was in the public interest that the case be settled so that a large user
26 could be added to the Company's system. (Rebuttal Exhibit CD-8). Of course, the addition
27 of the project to the Company's system also benefitted York County since it provides bulk
28 water and sewer services to the Company. Although not part of the settlement terms, I
29 understand that York County waived its \$20,000 in tap fees to the School District as well.

1 **Q. Mr. Daniel, do you agree with Mr. Falls' statement that the Company does nothing to**
2 **benefit the School District?**

3 **A.** Absolutely not. I do not know whether Mr. Falls was a member of the School District's
4 Board of Trustees at the time the litigation I have described was ongoing. In light of his
5 statements, I would certainly hope he was not. In any event, the Commission is itself aware
6 of a benefit the Company has conferred upon the School District in the form of the waiver
7 of \$74,200 in plant impact and connection fees set out in the approved settlement agreement.
8 Incidentally, I would note that had the School District paid the fees that were waived, the
9 Company's rate base in this case would be lower by that amount. Also, the settlement led
10 to a waiver of the County's \$20,000 tap fees, so the School District received a net benefit of
11 \$94,200 as a result of our agreement to settle the case.

12
13 **Q. Does the Company otherwise benefit the School District?**

14 **A.** Yes, and in a very tangible way. Last year, the Company paid to York County property taxes
15 in the total amount of \$36, 313.47. (Rebuttal Exhibit CD-9). Of that amount, \$21, 716.24
16 went to the School District for its operations and another \$4,571.84 for bond reduction.
17 Thus, the School District received \$26,288.08 in tax revenues directly from the Company.
18 I would characterize that as a benefit, although Mr. Falls apparently believes otherwise.

19
20 **Q. What comment, if any, do you have on Mr. Falls' assertion that the Commission should**
21 **consider the financial impact on the School District in making its determination in this**
22 **case?**

23 **A.** We consider the impact our request for rate relief has on all of the Company's customers.
24 But Mr. Falls' assertion is interesting for a number of reasons. Mr. Falls recognized in his
25 statement that money was plentiful for the School District. This is an understatement. In
26 fact, according to the 2000 edition of *Rankings of the Counties and School Districts of South*
27 *Carolina*, which is an annual publication of the South Carolina Department of Education, for
28 the school year 1998-1999, the School District was the wealthiest school district out of eighty
29 six in the entire state of South Carolina measured in terms of the fiscal capacity of the district

1 on a per pupil basis. (Rebuttal Exhibit CD-10, Table 99, p. 296). This same publication
2 reflects that, also on a per pupil basis, the School District has the highest assessed valuation
3 of property of any school district in the State of South Carolina. (Rebuttal Exhibit CD-10,
4 Table 97, p. 288). The School District also ranks first in the State in revenue per pupil from
5 local sources, taxes received for current operations per pupil, taxes for current operations and
6 debt service received per pupil from local sources. (Rebuttal Exhibit CD-10, Table 89, p.
7 256, Table 94, p. 276 and Table 95, p. 280). Yet it ranks seventy second in the size of its
8 total tax levy. (Rebuttal Exhibit CD-10, Table 100, p. 301). So, by most any measure, the
9 School District is extremely well-situated from a financial perspective – even though
10 property taxes in the County are relatively low. And, although the property owners in River
11 Hills contribute their fair share, the primary source of the School District's abundant
12 financial resources is without doubt the Catawba nuclear plant. According to the
13 *Comprehensive Annual Financial Report for York County for the Fiscal Year Ended June*
14 *30, 2000*, the nuclear plant accounted for some 26.72% of the assessed property valuations
15 in York County. (Rebuttal Exhibit CD-11). This report also states that over 35% of the
16 assessed value of property in York County is within the School District's area. (Rebuttal
17 Exhibit CD-11).

18
19 **Q. Mr. Daniel, did you also hear Mr. Falls testify that the School District was required to**
20 **have water trucked in when it opened?**

21 **A.** Yes, I heard that testimony. Unfortunately, Mr. Falls did not give the Commission a
22 complete picture of the circumstances surrounding that event.

23
24 **Q. Would you please elaborate?**

25 **A.** Yes. Shortly after the Crowders Creek Elementary and Middle School Complex was
26 connected to our system in August of 1999, we experienced problems with the quality of the
27 water which was being supplied by York County. Specifically, the County's bulk water
28 supplier, the Town of York, had a malfunction at its Lake Caldwell reservoir which,
29 combined with the effects of a summer long drought that year, resulted in the reservoir level

1 dropping below the intake valve on the Town's treatment plant. As a result, the water
2 contained debris and was of an unacceptable aesthetic quality. DHEC tested the water and
3 found it to comply with the minimum drinking standards, but our customers – including the
4 School District – were not satisfied. This condition lasted for approximately two weeks.

5
6 **Q. Were complaints made to the Commission by the Company's customers about this**
7 **matter?**

8 **A.** Yes. According to our review of Commission records, of the twenty seven complaints filed
9 with the Commission in 1999 regarding service in River Hills, twenty six related to the water
10 quality issue arising from the York County bulk water source problem. All but one of these
11 complaints were filed between August 24, 1999 and August 31, 1999. The other was filed
12 on September 30, 1999.

13
14 **Q. What action did the Company take in response to these complaints?**

15 **A.** Of course, we complained to York County. We advised York County that the Company
16 intended to resume the use of our wells in River Hills if it could not deliver water of an
17 aesthetic quality that was satisfactory to our customers. Several of our customers suggested
18 that course of action.

19
20 **Q. What response did York County make to that?**

21 **A.** York County promptly arranged for an emergency water interconnection with the City of
22 Rock Hill. Of course, the Company had to flush out its systems to eliminate the poor quality
23 water, which took approximately two weeks. Once that was accomplished, the water quality
24 began to improve dramatically. In fact, I am unaware of any quality complaints to the
25 Commission from the River Hills customers since that time.

26
27 **Q. Did the Company take any other steps to address the concerns of the customers in**
28 **River Hills?**

1 **A.** Yes. We wrote to York County and asked that the bulk service charges that had been
2 imposed for the period in question be refunded to our customers. By letter dated February
3 29, 2000, York County advised the Company that our request was granted and credited to
4 our bulk service account a total of \$12,902.34 (Rebuttal Exhibit CD-12). We in turn
5 refunded that amount to customers by way of bill credits.

6
7 **Q.** **Has the water source quality issue been finally resolved with York County?**

8 **A.** Not completely. York County is still drawing water from the City of Rock Hill through the
9 emergency interconnection made in 1999. However, we understand that there is a dispute
10 between York County and the Town of York as to whether York County has an obligation
11 under the bulk service agreement between them to return to using the Town's water from
12 Lake Caldwell. We also understand that the Town is planning to construct a large surface
13 treatment facility on Lake Wylie and that it is counting on bulk service revenue from York
14 County to finance bonds for that purpose. So, although the current water quality is
15 acceptable, we cannot predict what the future holds in that regard. That is one reason why
16 we think it appropriate for the Company to maintain the wells in River Hills in an
17 emergency, back-up status. As long as that alternative is available to us, the Company has
18 greater leverage in dealing with York County in the event that another problem arises with
19 the County's bulk water source.

20
21 **Q.** **Does the Company want to maintain the wells in River Hills in its rate base for those**
22 **reasons?**

23 **A.** Yes, but Mr. Wenz addresses that issue in more precise terms in his rebuttal testimony.

24
25 **Q.** **Mr. Daniel, why is it necessary that the Company purchase bulk water from York**
26 **County?**

27 **A.** Primarily because the customers demanded it. The River Hills Community Association
28 complained for many years about the quality of the well water that had been supplied since
29 the inception of the system by the developer in 1977. As the Commission is aware,

1 groundwater taken from wells can have mineral content characteristics that often cause the
2 water to be discolored. Discoloration can lead to staining of clothes, plumbing fixtures and
3 appliances. Filtration at the well and at the customer premises may alleviate the problem,
4 but these are high cost and high maintenance solutions for both the utility and the customer.
5 This was the case in River Hills, and, as a result, the customers and the River Hills
6 Community Association began to request that we obtain bulk water from a surface treatment
7 source. The customers also expressed a desire for the Company to eliminate the wastewater
8 discharge into Lake Wylie from our treatment plant in River Hills. At the time, York County
9 had not yet commenced construction of a county-wide system, but was willing to include
10 bulk service lines and mains to serve River Hills in its plans only if the Company would
11 purchase both bulk water and sewer. So, in 1992, and at the urging of the River Hills
12 Community Association, the Company entered into an agreement to purchase bulk water and
13 sewer service from York County when it completed construction of its county-wide water
14 and sewer systems. This agreement was approved by the Commission on July 10, 1992 in
15 its Order Number 92-537 in Docket Number 92-123-W/S.

16
17 **Q. Has the River Hills Community Association supported the arrangement with York**
18 **County since that time?**

19 **A.** Not on a consistent basis. After the interconnection was completed, the Company applied
20 to the Commission to put into effect in River Hills our previously approved tariff provisions
21 under which we reduce our rates, but add on and pass through, without markup to our
22 customers, the bulk charges imposed by governmental utility service providers. Even though
23 it had urged the Company to interconnect with York County and supported the agreement
24 approved by the Commission in 1992, the River Hills Community Association actually
25 intervened in the 1996 proceeding when we sought to implement the pass-through rate
26 structure with respect to York County's bulk service charges. When it became clear that the
27 Company could be relieved of its obligations to purchase surface treated water from York
28 County if the Commission were to not approve the pass-through rate structure in River Hills,
29 the River Hills Community Association withdrew its opposition. The application was

1 approved by the Commission in its Order Number 96-590, which was issued on August 26,
2 1996 in Docket Number 96-040-W/S. In its motion to withdraw its intervention, River Hills
3 Community Association acknowledged that the effect of the York County pass-through
4 would be a higher overall service bill, but indicated that it preferred to have the bulk water
5 service that the York County agreement with Company insured. (Rebuttal Exhibit CD-13).
6

7 **Q. Did that resolve the matter with the River Hills Community Association?**

8 **A.** Unfortunately, no. In 1997, the River Hills Community Association and other customers.
9 filed a complaint with the Commission seeking to have our rates reduced. We defended
10 against the complaint, in part on the grounds that the complainants had all been well aware
11 of the rate structure when the Company's agreement with York County was approved by the
12 Commission in 1992 and when the rate structure was implemented in 1996. The
13 Commission issued two orders in the 1997 complaint case in which it did not find that our
14 rates were unjust or unreasonable, but did direct us to cap sewer charges for residential
15 customers in River Hills at 10,500 gallons of water consumed on a monthly basis. The
16 Commission found, based upon the arguments advanced by the customers, that much of the
17 water that they consumed was not returned to the wastewater treatment system but was
18 dispersed in the course of various outdoor activities – primarily landscaping irrigation.
19

20 **Q. What happened after that?**

21 **A.** We appealed the Commission's orders to the Circuit Court and continued to charge the
22 previously approved rates under bond. The case was ultimately settled while on appeal. In
23 its Order Number 1999-245 in Docket Number 97-464-W/S dated April 2, 1999, the
24 Commission rescinded its prior two orders requiring a sewer rate cap. In exchange, the
25 Company agreed to permanently waive plant impact and connection fees totaling \$500 for
26 any residential customer in River Hills Subdivision that desired to install an irrigation meter.
27 We also agreed to provide the irrigation meter to the customer at no charge and to provide
28 a meter box at our cost. Under the terms of this settlement, customers are responsible for
29 installation of the meters.

1 **A.** Yes, there is and it is was specifically mentioned by a customer at the night hearing in this
2 case on June 18th. Mr. Albert Morrison observed that the Company's rates are not the entire
3 equation in this matter and stated that perhaps the River Hills Community Association should
4 be looking at the bulk rates charged by York County. This observation is not one that is new
5 to the Commission. In his testimony in the 1997 complaint case brought by River Hills
6 Community Association, then Commission Deputy Executive Director Gary Walsh testified
7 that the cause of the higher rates in River Hills was an increase in bulk water rates by York
8 County from \$2.82 per thousand gallons to \$3.11 per thousand gallons. (Rebuttal Exhibit
9 CD-14). Mr. Walsh further observed that the Company's other bulk service providers in
10 Richland and Lexington Counties only charged \$1.90 per thousand gallons for bulk water.
11 (Rebuttal Exhibit CD-14). These same rates are in effect today. As Mr. Wenz discusses in
12 greater detail in his rebuttal testimony, the bulk sewer service rates charged by York County
13 are significantly higher than those charged by all but one of the Company's other bulk sewer
14 service providers. So, customers in River Hills have a very direct avenue to seek relief in
15 this regard, and that is to contact their representatives on the York County Council and ask
16 them why York County's bulk rates are higher than those charged by some other
17 governmental entities. Since the customers have the ability to vote for members of the
18 council, they are in a position to demand relief in that arena.

19
20 **Q.** Are you aware of any effort in that regard by the River Hills Community Association?

21 **A.** No, I am not. But if the Association were to do so, the Company would be more than happy
22 to make available to them information verifying the lower bulk service rates charged to us
23 and passed on to our customers in other areas of the state.

24
25 **Q.** Does this conclude your rebuttal testimony?

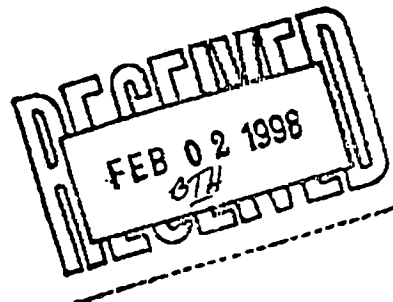
26 **A.** Yes, it does.

U:\CWS\00-814-062\Daniel Rebuttal Testimony.wpd



Clover School District

January 30, 1998



Bruce Haas
Regional Manager
Carolina Water Service
5701 Westpark Drive, Suite 101
Charlotte, NC 28224

The Clover School District is in the process of building two schools on property located on Hwy #49 at Crowders Creek.

We plan an elementary school to open August '99 to house 600 students and 95 staff. The other school would open August '00 and also house 600 students and 95 staff. We would project a flow of approximately 21,225 gallons.

We would like to request a proposal from Carolina Water Service for water and sewer service at this site. Please include in this proposal tap fee, base and community charge and total water and sewer charges / 1,000 gallons.

Please submit proposal to David T. Loadholt, PO Box 99 Clover, SC 29710 before 2/13/98.

If I can provide any further information contact me at (803) 222-7191.

Sincerely,

David T. Loadholt
Director, Finance & Operations

OLINA WATER SERVICE, INC.

AN AFFILIATE OF
UTILITIES, INC.

Regional Office:
5701 Westpark Dr., Suite 101
P.O. Box 240705
Charlotte, NC 28224
Telephone: (704) 525-7990
800-441-7990
FAX: (704) 525-8174

February 12, 1998

Mr. David T. Loadholt
Director, Finance & Operations
Clover School District
P.O. Box 99
Clover, SC 29710

Ref: Water and Sewer Service
Hwy. 49 at Crowders Creek

Dear Mr. Loadholt,

I received your letter recently requesting information regarding water and sewer service for proposed new schools, using a projected flow of approximately 21,225 gallons. Based on this information, please be advised of the following charges based upon the projected flow:

Flow: 21,225 gallons
Single Family Equivalency (S.F.E.) = 400 gallons
Projected S.F.E. = 53

As you are aware, per our meeting several months ago, you were given information based on Carolina Water Service's approved tariffs for tap fees and water/sewer rates. CWS charges for the River Hills Service Territory are based upon "single family equivalencies" (S.F.E.) and are as follows:

53 S.F.E. Water Tap Fee @ \$700/S.F.E.: \$37,100
53 S.F.E. Sewer Tap Fee @ \$700/S.F.E.: \$37,100

Base Facility Charges/Month (Water) for estimated
6" compound water meter = approx. \$371/Mo.
Commodity Charge per month (CWS): \$1.50/1000 gals.

Sewer Collection Charge/Mo. @ \$15/S.F.E. = \$795/Mo.

York County's tap fees are based solely upon line sizes. Since no indication of water line size was given, I am utilizing their information based on a 6" water tap for water, and 6" sewer force main tap, and are as follows:

York County 6" Water Tap Fee: \$10,000
York County Commodity Charge: \$3.11/1,000 gals.

York County 6" Sewer Tap Fee: \$10,000
York County Sewer Treatment Charge: \$3.47/1,000 gals.

Page 2
Mr. David T. Loadholt
February 12, 1998

In addition, the information listed above was based upon data previously received from York County. I would encourage you to confirm any actual costs to be charged by York County with them directly. They can be contacted at 803-684-8524.

I hope that I have adequately addressed your request, however, should you have any additional questions or if I may be of any further assistance, please do not hesitate to contact me directly at 704-525-7990.

Sincerely,



Bruce T. Haas
Regional Manager

cc: Mr. Carl Daniel
Mrs. Sandy Berry

CAROLINA WATER SERVICE, INC.

AN AFFILIATE OF
UTILITIES, INC.

Regional Office:
5701 Westpark Dr., Suite 101
P.O. Box 240705
Charlotte, NC 28224
Telephone: (704) 525-7990
800-441-7990
FAX: (704) 525-8174

June 11, 1998

Mr. David T. Loadholt
Director, Finance & Operations
Clover School District
P.O. Box 99
Clover, SC 29710

Ref: Proposed New Schools
Hwy. 49 at Crowders Creek
Water and Sewer Service

Dear Mr. Loadholt,

As a follow-up to our discussions earlier this year regarding the above referenced project, I wanted to follow-up with you regarding the status of this project. As I'm sure you are aware, Carolina Water Service, Inc. is the franchised water and sewer utility provider for this particular area. In order for us to properly plan for future growth of the water and sewer system, I would appreciate any information which you might be able to provide regarding any construction schedules and projected water/sewer flows, etc.

Based on our previous discussion, I understand that construction was scheduled to begin in the very near future. Although no plans have been submitted to CWS at this time for the water and sewer infrastructure, we would need to review and approve such plans prior to submittal to S. C. DHEC. Plans and specifications would need to conform to CWS's Construction Specification Detail Book of which we can provide you with a copy for your use. Please contact me at 704-525-7990 at your earliest convenience and we can discuss this matter further.

I appreciate your attention in this matter, and look forward to hearing from you.

Sincerely,



Bruce T. Haas
Regional Manager

cc: Mr. Carl Daniel

AN AFFILIATE OF
UTILITIES, INC.

Regional Office:
5701 Westpark Dr., Suite 101
P.O. Box 240908
Charlotte, NC 28224
Telephone: (704) 525-7990
FAX: (704) 525-8174

November 2, 1998

Mr. J. Clay Killian
Manager
York County
P.O. Box 66
York, SC 29745

Ref: Water and Sewer Service to
Clover Schools on Highway 49

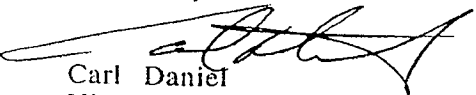
Dear Mr. Killian,

It has come to the attention of Carolina Water Service, Inc. ("CWS") that the Clover School District ("District") may intend to acquire water and sewer service for the proposed new schools along Highway 49 and Crowders Creek from the City of Clover. As you are aware, the District's property is located within CWS's franchised service area.

Please be advised that CWS intends to take all available action to protect our interests within our franchised service area. Please advise if York County has any authority to enforce existing service areas under the County's water and sewer Ordinance. If so, CWS asks that the County exercise its authority to preserve CWS's service area.

If you have any questions, or if I can provide any additional information, please do not hesitate to contact me.

Sincerely,


Carl Daniel
Vice President

The South Carolina Court of Appeals

Carolina Water Service, Inc.,

Appellant,

v.

The Town of Clover, South Carolina, a municipality
and body politic and corporate, and Clover School
District No. 2 of York County, South Carolina, a body
politic and corporate,

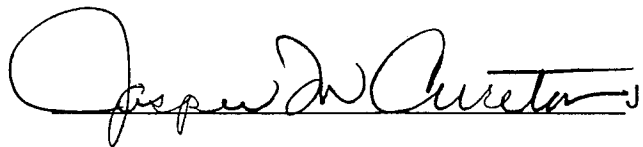
Respondents.

The Honorable Thomas W. Cooper, Jr.
York County
Trial Court Case No. 99-CP-46-256

ORDER

Appellant petitioned this court for writ of supersedeas. The petition is TEMPORARILY GRANTED until further order of this court. Respondent must serve and file a return to the petition by 5:00 p.m. Tuesday, April 13, 1999.

IT IS SO ORDERED.



Columbia, South Carolina

April 8, 1999

cc: John M.S. Hoefer, Esquire
B. Craig Collins, Esquire
Alford Haselden, Esquire
Danny C. Crowe, Esquire
David T. Duff, Esquire
Charles J. Boykin, Esquire

FILED

4-8-99

dhp

The South Carolina Court of Appeals

Carolina Water Service, Inc.,

Appellant,

v.

The Town of Clover, South Carolina, a municipality and body
politic and corporate, and Clover School District No. 2 of
York County, South Carolina, a body politic and corporate,

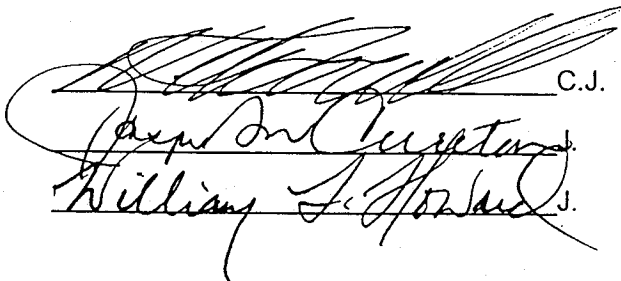
Respondents.

The Honorable Thomas W. Cooper, Jr.
York County
Trial Court Case No. 99-CP-46-256

ORDER

The temporary injunction granted by this court's order dated April 8, 1999 is continued. Respondents are granted leave to apply to this court to dissolve this injunction by furnishing the court with proof of permission by York County to proceed with the District lines. Appellant must post a bond of \$250,000 with the Clerk of Court within five days of the date of the filing of this order, to indemnify Respondents, in the event they prevail in an action that entitles them to damages incurred by reason of the granting of this temporary injunction.

IT IS SO ORDERED.


C.J.

Columbia, South Carolina

April 21, 1999

cc: John M.S. Hoefer, Esquire
B. Craig Collins, Esquire
Alford Haselden, Esquire
Danny C. Crowe, Esquire
David T. Duff, Esquire
Charles J. Boykin, Esquire

FILED

4-22-99 dlp.

STATE OF SOUTH CAROLINA)
COUNTY OF YORK)

IN THE COURT OF COMMON PLEAS

C.A. NO. 99-CP-46-256

Carolina Water Service, Inc.)
Plaintiff,)
v.)
Town of Clover and Clover)
School District No. 2 of York)
County,)
Defendants.)

**SETTLEMENT AGREEMENT
AND MUTUAL RELEASE**

1. This Settlement Agreement and Mutual Release ("Agreement") is made and entered into by and between Plaintiff Carolina Water Service, Inc., ("CWS") and Defendants Town of Clover ("Town") and Clover School District No. 2 of York County ("School District").

2. a. As employed herein, the terms "party", "parties", "CWS", "Town", and "School District" shall be construed to include their respective agents, assigns, executors, successors in interest, employees, trustees, attorneys, officers, consultants, parents, affiliates or subsidiaries, as may be applicable, and anyone acting on behalf of or under the authority of them.

b. As employed herein, the term "Action" means those certain claims of CWS against the Town and The School District, and the counterclaims of the Town and the School District, filed in the York County Court of Common Pleas as captioned above, which arose out of certain alleged acts by and among the parties, as well as the appeal taken from the April 1, 1999 order issued by the Circuit Court therein, which appeal is now pending in the Court of Appeals of South Carolina.

c. As employed herein the term "person" means any individual, firm, corporation, partnership, association, or other entity or institution.

3. The parties desire to enter into this Agreement in order to provide for full settlement and discharge of all claims which are, or might have been, the subject matter of the Action, upon the terms and conditions set forth below.

4. In consideration of the mutual covenants and agreements set forth in paragraph 5 hereinbelow, the sufficiency of which is hereby acknowledged, each of the parties do forever release, acquit and discharge the other parties and every other person, from any and all past, present, or future claims, counterclaims, actions, causes of action, demands, damages, liabilities, costs, expenses (including attorneys fees) or controversies of any nature whatsoever, known or unknown, existing or claimed to exist, whether based on tort, contract, equity, administrative/regulatory law, rules or regulations, or any other theory of recovery or relief, which any of the parties has had, or may hereafter acquire, against another party, which arises out of or is in any manner related to the facts or circumstances giving rise to the Action, or any other matters, occurrences, transactions, or events resulting directly or indirectly therefrom.

5. The parties covenant and agree as follows:

- a) The School District will obtain its water and sewer service for the Crowders Creek School Complex, including the two (2) schools now planned and under construction, as well as any future construction at that site, from CWS. The School District will formally notify the Town, utilizing the form of letter attached hereto and incorporated herein as Exhibit "A", that it no longer

seeks, nor will it seek, water or sewer service from the Town for the Crowders Creek School Complex.

- b) CWS will waive its tap fees for water and sewer service to be provided to the two (2) schools now planned and under construction at the Crowders Creek School Complex in accordance with the terms of a separate agreement between the School District and CWS, to be submitted for approval to the Public Service Commission of South Carolina, utilizing the form of agreement attached hereto and incorporated herein by reference as Exhibit "B". The School District will cooperate with CWS in its request to the Public Service Commission.
- c) The parties will enter into a consent order of dismissal with prejudice to be submitted to the Circuit Court, utilizing the form of order attached hereto and incorporated herein by reference as Exhibit "C".
- d) CWS will move to withdraw its appeal now pending at the South Carolina Court of Appeals and the Town and School District will consent to such motion, utilizing the form of motion attached hereto and incorporated herein by reference as Exhibit "D".

6. This Settlement Agreement and Mutual Release is made as part of a settlement of disputed claims. The parties understand and agree that nothing in this Settlement Agreement and Mutual Release (including the exhibits hereto) shall at any time for any purpose

be argued or construed to be an admission of liability or responsibility on the part of any party.

7. The parties represent and warrant, each to the other:

a. That this Settlement Agreement and Mutual Release constitutes a legal, valid and binding obligation enforceable in accordance with its terms.

b. No other person or entity has, or has had, any interest in the claims, demands, obligations, or causes of action referred to in this Settlement Agreement and Mutual Release; that each party has the sole right and exclusive authority to execute this Settlement Agreement and Mutual Release and receive the benefits thereof, and that none of the parties has sold, assigned, transferred, conveyed or otherwise disposed of any of the claims, demands, obligations, or causes of action referred to herein.

8. The parties affirm and acknowledge that they have read this Settlement and Mutual Release and have had it fully explained to them by their respective counsel; that they fully understand and appreciate the terms and conditions hereof; that this is a full, final compromise, release, and settlement of all claims, demands, actions, causes of action, known or unknown, suspected or unsuspected, and that they sign this Settlement Agreement as their free act and deed.

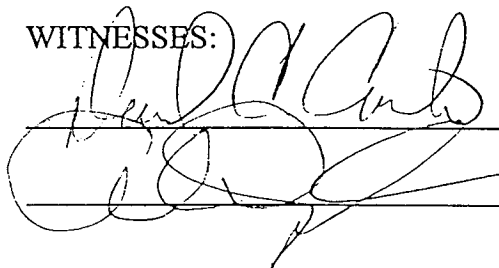
9. This Agreement shall be governed by and be construed in accordance with the laws of the State of South Carolina.

10. Each party hereto shall bear its own attorney's fees and costs arising from or in connection with the Action, the preparation and execution of this Settlement Agreement and Mutual Release, the other matters and documents referred to herein, and all related matters.

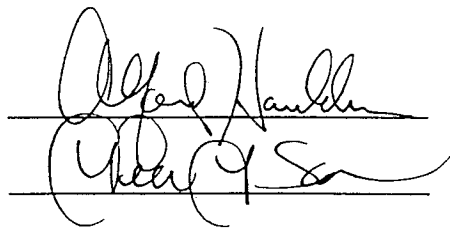
12. Concurrently with the execution and delivery of this Settlement Agreement and Mutual Release, the School District will deliver to CWS a copy of the notice submitted to the Town as required by paragraph 5 (a) hereinabove (i.e., Exhibit "A"), along with executed originals of the documents attached hereto as Exhibits "B", "C" and "D". The Town and School District hereby authorize counsel for CWS to file the documents attached as Exhibits "C" and "D" in the Court of Common Pleas and the South Carolina Court of Appeals and enter same as a matter of record.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals
this 9th day of September, 1999.

WITNESSES:



Judy L. Miller
Patsy J. Burrell



Carolina Water Service, Inc.

By: Carl J. Weng

ITS: V.P., Regulatory Matters

Clover School District No. 2 of
York County

By: Betty D. Riddle

ITS: Superintendent

The Town of Clover

BY: James H. Jern

ITS: Mayor

2-C:\WP61\CWS\CLOVER\SETTLE.AGR

August __, 1999

The Honorable Vance Stine
Mayor, Town of Clover
Post Office Box 181
Clover, South Carolina 29710

RE: Water and Sewer Service for Crowders Creek School Complex

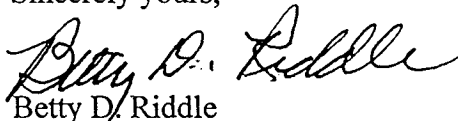
Dear Mayor Stine:

As you are aware, Clover School District No. 2 of York County has settled the litigation with Carolina Water Service, Inc. regarding the above-referenced matter.

This is to advise the Town of Clover that the School District no longer desires to pursue an arrangement with the Town for the provision of water and sewer services for the two (2) schools now under construction at the Crowders Creek School Complex on Highway 49 or for any future school buildings or facilities the School District may construct at the complex.

On behalf of the School District, I thank you for the Town's interest in providing these services.

Sincerely yours,


Betty D. Riddle
Superintendent

AGREEMENT FOR THE PROVISION
OF WATER AND SEWER SERVICES

This Agreement is made by and between Carolina Water Service, Inc., a Delaware corporation ("CWS") and Clover School District No. 2 of York County, a school district existing under the laws of South Carolina ("School District") this __ day of _____, 1999.

RECITALS:

Whereas, CWS is a water and sewer utility authorized to provide water and sewer service to the public for compensation in certain geographic areas of the State of South Carolina, including certain areas of York County, pursuant to a certificate of public convenience and necessity issued by the Public Service Commission of South Carolina ("PSC"); and

Whereas, the School District has constructed, is in the process of constructing, and may in the future construct, school buildings and facilities at a site located on the western side of Highway 49 near Lake Wylie in York County known as the Crowders Creek School Complex ("Complex"), which buildings and facilities will require water and sewer service; and

Whereas, the Complex is located within CWS's PSC certificated service area and CWS desires to provide water and sewer service to the School District at the Complex; and

Whereas, the School District desires to obtain water and sewer service for the Complex from CWS in accordance with the terms and conditions set forth hereinbelow,

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements set forth hereinbelow, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. CWS agrees to provide, and the School District agrees to purchase, water and sewer service for the Complex, under the terms, conditions, and regulations set forth in CWS's rate schedule as may be on file with and approved by the PSC from time to time (except with respect to tap fees, the payment of which is provided for in paragraph 4 hereinbelow).

2. The School District agrees to construct and connect such facilities as may be required to serve the Complex with CWS's facilities and to convey same to CWS, along with any necessary easements or rights-of-way, free and clear of liens and encumbrances. Such construction shall be in accordance with applicable rules and regulations.

3. The School District will initially require water supply and sewer treatment capacity for 10,000 gallons per day ("GPD") worth of flow for an elementary school at the Complex planned to be opened in August of 1999. The School District will further require water supply and treatment capacity for a middle school at the Complex planned to be opened in August of 2000 which will use 11,225 GPD worth of flow. The total combined flow for these two schools at the Complex will be 21,225 GPD. The School District may or may not open another school or facilities at the Complex subsequent to the completion of the two schools currently under construction. The parties acknowledge that the figures recited herein with respect to GPD reflect only the estimated demand that the School District has, and will have, for service to the two (2) schools and that actual usage by the School District may vary.

4. CWS agrees that it will waive its tap fees for the 21,225 GPD worth of flow required for the two schools currently under construction and planned to be opened in 1999 and 2000, the total value of which is \$74,200 under CWS's current rate schedule. The School District agrees that it will pay tap fees in accordance with CWS's then effective rate schedule for any additional schools, buildings or facilities it may construct at the Complex.

5. The School District agrees that it will not, as long as CWS (or any related entity) is certificated by the PSC to serve the geographic area in which the Complex is located, seek to obtain water or sewer services for its schools, buildings or facilities at the Complex from any other person or entity (private or public).

6. The parties acknowledge that this agreement is being entered into as part of a settlement of litigation between them, that this agreement is subject to approval by the PSC, and that the settlement is conditioned upon such approval being obtained.

IN WITNESS WHEREOF, the parties set forth their respective hands and seals the day and year first above written.

WITNESSES

CAROLINA WATER SERVICE, INC.

BY: _____

ITS: _____

CLOVER SCHOOL DISTRICT NO. 2
OF YORK COUNTY

BY: _____

ITS: Superintendent

2-C:\WP61\CWS\CLOVER\TAP.AGR

STATE OF SOUTH CAROLINA)
)
 COUNTY OF YORK)

IN THE COURT OF COMMON PLEAS
 FOR THE SIXTEENTH JUDICIAL CIRCUIT

C.A. NO. 97--CP-40-4177

Carolina Water Service, Inc.)
)
 Plaintiff,)
)
 v.)
)
)
 Town of Clover and Clover)
 School District No. 2 of York)
 County,)
)
 Defendants.)
 _____)

CONSENT ORDER OF DISMISSAL
 OF AMENDED COMPLAINT AND
 COUNTERCLAIMS

This matter is before the Court upon the joint motion of the parties, pursuant to Rule 41(a)(2), SCRCP, for dismissal of Plaintiffs' amended complaint and Defendants' counterclaims with prejudice. The parties advise the court that this matter has been settled.

IT IS THEREFORE ORDERED THAT Plaintiffs' Amended complaint and Defendants' counterclaims are hereby dismissed with prejudice, the parties to bear their own costs and attorneys fees.

AND IT IS SO ORDERED.

 Presiding Judge
 Sixteenth Judicial Circuit

This __ day of _____, 1999
 _____, South Carolina

WE SO MOVE AND CONSENT:

John M.S. Hoefer, Esquire
Attorney for Plaintiff
Carolina Water Service, Inc.

Danny C. Crowe, Esquire
Attorney for Defendant
Town of Clover

David T. Duff, Esquire
Attorney for Clover School District
No. 2 of York County

2-C:\WP61\CWS\CLOVER\CONS-ORD.DIS

THE STATE OF SOUTH CAROLINA
In The Court of Appeals

APPEAL FROM YORK COUNTY
Court of Common Pleas

Thomas W. Cooper, Jr., Circuit Court Judge

Case No. 99-CP-40-256

Carolina Water Service, Inc.Appellant,

v.

The Town of Clover, a municipality and body politic and
Corporate, and Clover School District No. 2 of York County,
a body politic and CorporateRespondents.

**MOTION TO WITHDRAW APPEAL AND FOR
LEAVE TO DISSOLVE SECURITY**

Pursuant to Rule 231(c), SCACR, Appellant Carolina Water Service Inc., ("CWS")
moves to withdraw the above-captioned appeal and for leave to dissolve security. In support of this
motion, CWS would respectfully show as follows:

1. This appeal was initiated by CWS's service of a notice of appeal on April 1, 1999.
2. On April 21, 1999, upon motion of CWS, this Court temporarily enjoined Respondents from engaging in certain activity, and required Appellant to post a bond in the amount of \$250,000 to secure same.

3. The parties to this appeal have settled the underlying litigation.

4. On _____, 1999, the York County Court of Common Pleas issued an order dismissing the underlying action with prejudice as a result of the parties' settlement of the matter. A copy of the circuit court's order is attached hereto as exhibit "A".

5. Inasmuch as the matters previously in dispute between the parties have now been fully resolved, CWS therefore moves that it be allowed to withdraw its appeal pursuant to Rule 231(c), SCACR, that it be granted leave to dissolve the bond heretofore posted and that the parties be required to bear their own costs and attorneys fees.

6. Respondents, as signified below, consent to CWS's motion.

WHEREFORE, having set forth its motion, CWS requests that this Court issue its order dismissing the above appeal, as withdrawn, permitting CWS to dissolve the bond heretofore posted, directing that the parties shall bear their own costs, and attorneys fees and granting such other and further relief as is just and proper.

_____, ___, 1999.

Respectfully submitted,

John M.S. Hoefer
B. Craig Collins
Willoughby & Hoefer, P.A.
P.O. Box 8416
Columbia, SC 29202-8416
(803) 252-3300

Attorneys for Appellant
Carolina Water Service, Inc.

WE CONSENT:

Danny C. Crowe
Turner, Padget, Graham & Laney P.A.
Post Office Box 1473
Columbia, SC 29202
(803) 254-2200

Attorney for Respondent
Town of Clover

David T. Duff
Duff, Dubberly, Turner, White & Boykin, L.L.C
Post Office Box 1486
Columbia, SC 29202
(803) 790-0603

Attorney for Respondent
Clover School District No. 2

2-C:\WP61\CWS\CLOVER\APPEAL\WITHDRAW.MOT

AGREEMENT FOR THE PROVISION
OF WATER AND SEWER SERVICES

This Agreement is made by and between Carolina Water Service, Inc., a Delaware corporation ("CWS") and Clover School District No. 2 of York County, a school district existing under the laws of South Carolina ("School District") this 9th day of September, 1999.

RECITALS:

Whereas, CWS is a water and sewer utility authorized to provide water and sewer service to the public for compensation in certain geographic areas of the State of South Carolina, including certain areas of York County, pursuant to a certificate of public convenience and necessity issued by the Public Service Commission of South Carolina ("PSC"); and

Whereas, the School District has constructed, is in the process of constructing, and may in the future construct, school buildings and facilities at a site located on the western side of Highway 49 near Lake Wylie in York County known as the Crowders Creek School Complex ("Complex"), which buildings and facilities will require water and sewer service; and

Whereas, the Complex is located within CWS's PSC certificated service area and CWS desires to provide water and sewer service to the School District at the Complex; and

Whereas, the School District desires to obtain water and sewer service for the Complex from CWS in accordance with the terms and conditions set forth hereinbelow;

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements set forth hereinbelow, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. CWS agrees to provide, and the School District agrees to purchase, water and sewer service for the Complex, under the terms, conditions, and regulations set forth in CWS's rate schedule as may be on file with and approved by the PSC from time to time (except with respect to tap fees, the payment of which is provided for in paragraph 4 hereinbelow).

2. The School District agrees to construct and connect such facilities as may be required to serve the Complex with CWS's facilities and to convey same to CWS, along with any necessary easements or rights-of-way, free and clear of liens and encumbrances. Such construction shall be in accordance with applicable rules and regulations.

3. The School District will initially require water supply and sewer treatment capacity for 10,000 gallons per day ("GPD") worth of flow for an elementary school at the Complex planned to be opened in August of 1999. The School District will further require water supply and treatment capacity for a middle school at the Complex planned to be opened in August of 2000 which will use 11,225 GPD worth of flow. The total combined flow for these two schools at the Complex will be 21,225 GPD. The School District may or may not open another school or facilities at the Complex subsequent to the completion of the two schools currently under construction. The parties acknowledge that the figures recited herein with respect to GPD reflect only the estimated demand that the School District has, and will have, for service to the two (2) schools and that actual usage by the School District may vary.

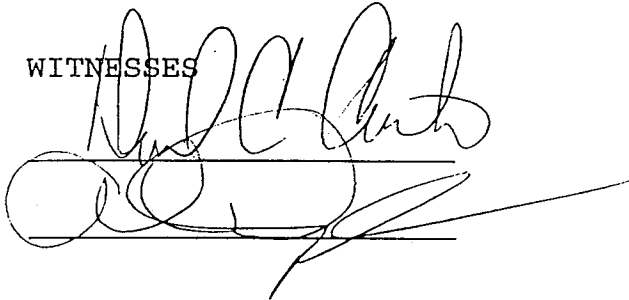
4. CWS agrees that it will waive its tap fees for the 21,225 GPD worth of flow required for the two schools currently under construction and planned to be opened in 1999 and 2000, the total value of which is \$74,200 under CWS's current rate schedule. The School District agrees that it will pay tap fees in accordance with CWS's then effective rate schedule for any additional schools, buildings or facilities it may construct at the Complex.

5. The School District agrees that it will not, as long as CWS (or any related entity) is certificated by the PSC to serve the geographic area in which the Complex is located, seek to obtain water or sewer services for its schools, buildings or facilities at the Complex from any other person or entity (private or public).

6. The parties acknowledge that this agreement is being entered into as part of a settlement of litigation between them, that this agreement is subject to approval by the PSC, and that the settlement is conditioned upon such approval being obtained.

IN WITNESS WHEREOF, the parties set forth their respective hands and seals the day and year first above written.

WITNESSES

Two handwritten signatures are written over two horizontal lines. The first signature is cursive and appears to be "Judy L. Miller". The second signature is also cursive and appears to be "Patricia J. Burrell".

CAROLINA WATER SERVICE, INC.

BY: Carl J. Weng

ITS: V.P., Regulatory Matters

CLOVER SCHOOL DISTRICT NO. 2
OF YORK COUNTY

BY: Betty D. Riddle

ITS: Superintendent



Clover School District

August 25, 1999

The Honorable Gary E. Walsh
Executive Director
South Carolina Public Service Commission
Post Office Drawer 11649
Columbia, South Carolina 29211

RE: Request of Carolina Water Service, Inc. for approval of agreement for the provision of water and sewer services to Crowders Creek School Complex (Clover School District No. 2 of York County)

Dear Mr. Walsh:

The purpose of this letter is to advise that Clover School District No. 2 of York County supports the request referenced above.

The granting of CWS's request will result in approximately 22,000 GPD of new water supply and sewer treatment capacity demand for CWS's system in York County. Further, there is the possibility for future expansion of our facilities at Crowders Creek Complex which will require additional capacity. The School District believes that approval of the request is therefore in the interest of CWS's current customer base. And, because approval will resolve litigation between CWS and the School District, it is also in the public interest of taxpayers and the company's customers alike.

If you have any questions, or need additional information, please do not hesitate to contact me.

Sincerely yours,

Betty D. Riddle
Superintendent



YORK COUNTY COUNCIL

Post Office Box 66, York, South Carolina 29745-0066
Tel: (803) 684-8599 • Fax: (803) 684-8550

Carl L. Gullick, Chairman
District 7

C. Michael "Mike" Short, Vice-Chairman
District 1

Thomas R. Burton, Sr.
District 2

Jane C. Gilfillan
District 3

Ada Chisolm-Perry
District 4

Curwood P. Chappell
District 5

Houston O. "Buddy" Motz
District 6

August 30, 1999

Via Hand Delivery

The Honorable Gary E. Walsh, Executive Director
Public Service Commission of South Carolina
101 Executive Center Drive
Koger Executive Center
Columbia, South Carolina 29211

Re: *Agreement for the provision of water and sewer services
by Carolina Water Service, Inc. to Clover School District
No. 2 of York County*

Dear Mr. Walsh:

The purpose of this letter is to advise the Public Service Commission of South Carolina ("PSCSC") that York County supports the request made by Carolina Water Service, Inc. ("CWS") for approval of the form of the agreement referenced above.

Granting this request will hasten the resolution of pending litigation concerning CWS's certificated area. This, in turn, will benefit York County taxpayers served by CWS in that further litigation expenses will be avoided and in that a large user will be added to the system serving CWS's certificated service area. York County therefore believes that granting of the request is in the public interest.

If you have any questions, or if you need additional information, please do not hesitate to contact me.

Sincerely,

Carl L. Gullick, Chairman
York County Council

YORK COUNTY, S.C. - PROPERTY TAX NOTICE

| | | | | | | | | | |
|-------------------------------------|-------------------|-----------|----------------------|-------|------|-------|---------------|---------------|-------------|
| NOTICE NUMBER 864305-00-6 | DIST. 2 | CITY CODE | MAP REFERENCE NUMBER | ACRES | LOTS | BLDG. | SCHOOL | CITY | TAX YEAR |
| | | | | | | | CLOVER | 064574 | 2000 |

| | | | | | | | | |
|---------------------------|------|-----------------|-------------|----------------|----------------|------------------|--------------------|------------------|
| PERSONAL 555048 | LAND | APPRaised VALUE | ASSESS. % | ASSESSED VALUE | TOTAL TAX LEVY | TOTAL TAXES | LESS EXEMPTION (S) | TAXES DUE |
| | | 1555048 | 10.5 | 163200 | 222.4 | 36,313.47 | .00 | 36,313.47 |

THE INFORMATION BELOW IS A BREAKDOWN OF HOW YOUR TAX DOLLARS ARE DISTRIBUTED:

| | | | | | | | | | |
|-------------------|-----------------|---------------|---------------|-------------------|----------------|------------------|---------------|---------------------------|--|
| COUNTY OPERATIONS | | C H C OPER. | | YORK TECH. OPER. | | YORK TECH. BONDS | | SOLID WASTE | |
| 5682.15 | 11/11.94 | 669.45 | 408.20 | 653.12 | 146.95 | 146.95 | 146.95 | 146.95 | |
| FIRE BOARD | | CITY TAXES | | SCHOOL OPERATIONS | | SCHOOL BONDS | | STATE PROPERTY TAX RELIEF | |
| 391.87 | .00 | .00 | .00 | 21716.24 | 4571.84 | | | | |

DESCRIPTION OF PROPERTY

RIVER HILLS
UTILITY
SC TAX COMMISSION 746-0000000

OTHER INFORMATION

IF YOU HAVE QUESTIONS ABOUT YOUR TAX BILL, PLEASE RETURN TO THE BACK OF THIS NOTICE FOR INFORMATION ON THE OFFICE OF CLERK OF COURTY.

NAME AND ADDRESS

CAROLINA WATER SERVICE
JOHN HAYNES
2335 SANDERS ROAD
NORTHBROOK IL 60062

TAX YEAR

MAP REFERENCE NO. RIVER HILLS
PROPERTY LOCATION UTILITY
APPRAISED VALUE 1555048

TAX AMOUNT 36,313.47
LESS: HOMESTEAD EXEMPTION
STATE PROPERTY TAX RELIEF

PAY THIS AMOUNT BY DATE

PENALTIES:
AFTER JAN. 15 THRU FEB. 15 (5%)
AFTER FEB. 15 THRU MAR. 15 (10%)
AFTER MAR. 15 (15%)

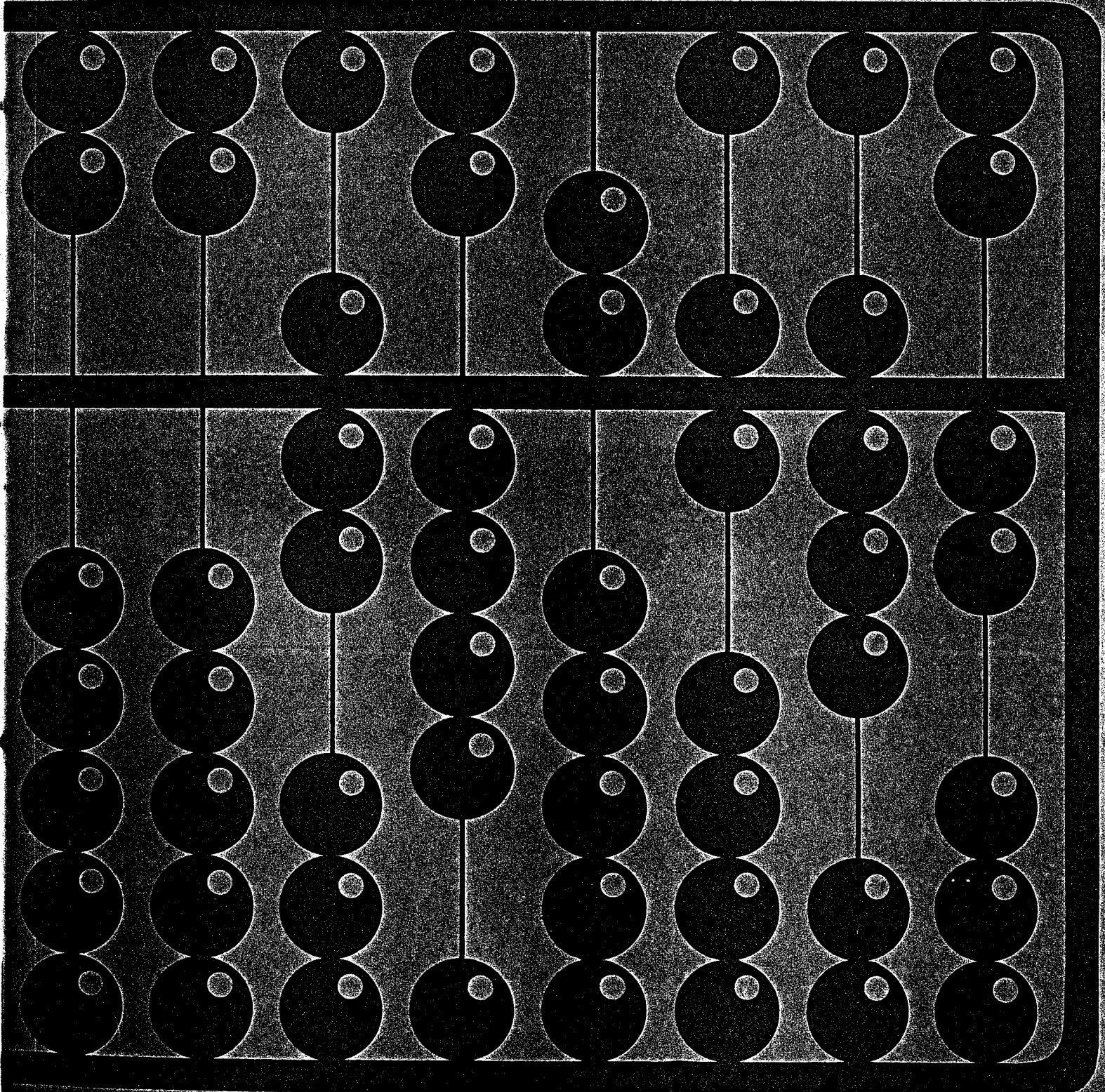
PRIOR YEAR TAX ON THIS PROPERTY

Rankings

of the Counties and School Districts
of South Carolina 1998-99

Rebuttal Exhibit
CD-10 Page 1 of 9

2000 EDITION





A publication of the
South Carolina Department of Education
Irene M. Trenenbaum, State Superintendent

1429 Senate Street, Columbia, South Carolina 29201
Phone 803-734-8492 Fax 803-734-8624
www.state.sc.us/sde



STATE OF SOUTH CAROLINA
DEPARTMENT OF EDUCATION

INEZ MOORE TENENBAUM
STATE SUPERINTENDENT OF EDUCATION

Dear Friends of Education:

It is my pleasure to present the 2000 edition of *Rankings of the Counties and School Districts of South Carolina*. This publication contains important facts and figures that are valuable as schools and communities work together to make educational improvement.

The enthusiasm for education continues to remain high across South Carolina. It is exciting to see persons from all walks of life and all corners of the State coming together to support our children.

Cooperative efforts over the past year have laid the foundation for measurable progress. New initiatives such as First Steps, the Commission on Teacher Quality, the CP&L School Leadership Executive Institute, and the South Carolina Reading Initiative are addressing program needs to help us meet our goal of ensuring that every child receives a quality education. At the same time, \$750 million in new school construction funds will make vast improvements to school learning environments statewide.

In order for us to continue to deliver these kinds of systemic reforms, we must make decisions based on proven research and commit to carrying out long-range plans rooted in quality data. This publication, *Rankings of the Counties and School Districts of South Carolina*, presents demographic and financial information that is helpful to educators and communities in developing strategies to improve schools. Indeed, these are the kinds of data we must use in order to make decisions at all levels. The State Department of Education stands ready to assist in any way possible as we plot the course for improvement.

Very truly yours,

A handwritten signature in cursive script, reading "Inez M. Tenenbaum", is positioned above the printed name.

Inez M. Tenenbaum
State Superintendent of Education

TABLE 99 (continued)

| Ranked Numerically | | | | |
|--------------------|-----------------|--------------------------|---------------------|------|
| District | Fiscal Capacity | 1998-99 ADM (K-12) | Wealth Per Pupil | Rank |
| York 2 | \$ 245,969,454 | 4,301 | \$57,189 | 1 |
| Beaufort | 797,422,828 | 15,589 | 51,153 | 2 |
| Horry | 905,570,964 | 27,043 | 33,486 | 3 |
| Oconee | 330,016,397 | 9,944 | 33,187 | 4 |
| Fairfield | 119,882,716 | 3,615 | 33,163 | 5 |
| Greenwood 52 | 51,310,244 | 1,602 | 32,029 | 6 |
| Spartanburg 5 | 153,805,913 | 5,196 | 29,601 | 7 |
| Anderson 4 | 70,300,587 | 2,492 | 28,211 | 8 |
| Charleston | 1,222,196,663 | 43,439 | 28,136 | 9 |
| Calhoun | 53,011,354 | 2,045 | 25,922 | 10 |
| Georgetown | 256,913,290 | 10,336 | 24,856 | 11 |
| Greenville | 1,359,881,463 | 57,480 | 23,658 | 12 |
| Dorchester 4 | 54,282,197 | 2,394 | 22,674 | 13 |
| Spartanburg 6 | 195,877,175 | 8,851 | 22,131 | 14 |
| Richland 1 | 585,782,994 | 26,914 | 21,765 | 15 |
| York 4 | 97,954,814 | 4,719 | 20,758 | 16 |
| McCormick | 24,524,554 | 1,204 | 20,369 | 17 |
| Anderson 5 | 216,208,745 | 10,760 | 20,094 | 18 |
| Lexington 2 | 180,312,535 | 8,974 | 20,093 | 19 |
| Florence 1 | 283,970,073 | 14,240 | 19,942 | 20 |
| Greenwood 50 | 162,057,654 | 8,450 | 19,178 | 21 |
| Spartanburg 3 | 61,919,711 | 3,254 | 19,029 | 22 |
| Darlington | 207,613,032 | 10,915 | 19,021 | 23 |
| Spartanburg 7 | 170,555,085 | 9,000 | 18,951 | 24 |
| York 3 | 266,447,037 | 14,126 | 18,862 | 25 |
| Lexington 5 | 256,859,778 | 14,236 | 18,043 | 26 |
| Cherokee | 151,787,342 | 8,525 | 17,805 | 27 |
| Pickens | 275,841,951 | 15,645 | 17,631 | 28 |
| Anderson 1 | 115,330,187 | 6,986 | 16,509 | 29 |
| Richland 2 | 264,559,961 | 16,176 | 16,355 | 30 |
| Kershaw | 152,716,998 | 9,474 | 16,120 | 31 |
| Colleton | 110,569,508 | 6,927 | 15,962 | 32 |
| Orangeburg 4 | 65,675,711 | 4,125 | 15,921 | 33 |
| Aiken | 383,600,296 | 24,291 | 15,792 | 34 |
| Spartanburg 1 | 64,074,258 | 4,100 | 15,628 | 35 |
| Jasper | 43,640,543 | 2,836 | 15,388 | 36 |
| Orangeburg 5 | 120,158,953 | 7,866 | 15,276 | 37 |
| Anderson 3 | 39,061,085 | 2,559 | 15,264 | 38 |
| Abbeville | 57,467,306 | 3,789 | 15,167 | 39 |
| Clarendon 1 | 19,201,326 | 1,287 | 14,919 | 40 |
| Anderson 2 | 50,740,459 | 3,460 | 14,665 | 41 |
| Saluda | 30,672,194 | 2,111 | 14,530 | 42 |
| Spartanburg 4 | 39,922,973 | 2,769 | 14,418 | 43 |
| Spartanburg 2 | 105,515,496 | 7,347 | 14,362 | 44 |
| Lexington 3 | 32,718,253 | 2,290 | 14,287 | 45 |
| Newberry | \$ 82,659,397 | 5,843 | \$14,147 | 46 |

TABLE 97 (continued)

| Ranked Numerically | | | |
|--------------------|----------------------------------|---------------------------|------|
| District | Assessed Valuation 1998-99 | Valuation Per Pupil | Rank |
| York 2 | \$ 235,000,000 | \$54,638 | 1 |
| Beaufort | 718,699,964 | 46,103 | 2 |
| Fairfield | 117,049,280 | 32,379 | 3 |
| Oconee | 311,000,000 | 31,275 | 4 |
| Horry | 808,779,204 | 29,907 | 5 |
| Spartanburg 5 | 132,304,256 | 25,463 | 6 |
| Calhoun | 51,693,171 | 25,278 | 7 |
| Charleston | 1,077,889,691 | 24,814 | 8 |
| Richland 1 | 630,606,322 | 23,430 | 9 |
| Anderson 4 | 56,724,031 | 22,762 | 10 |
| Greenville | 1,231,854,053 | 21,431 | 11 |
| Greenwood 52 | 34,000,000 | 21,223 | 12 |
| Spartanburg 6 | 187,479,853 | 21,182 | 13 |
| Georgetown | 212,031,900 | 20,514 | 14 |
| York 4 | 88,176,995 | 18,686 | 15 |
| Spartanburg 7 | 165,827,679 | 18,425 | 16 |
| Lexington 2 | 157,878,360 | 17,593 | 17 |
| York 3 | 246,833,116 | 17,474 | 18 |
| Anderson 5 | 187,767,289 | 17,450 | 19 |
| Darlington | 186,314,190 | 17,070 | 20 |
| McCormick | 20,426,714 | 16,966 | 21 |
| Dorchester 4 | 39,728,853 | 16,595 | 22 |
| Richland 2 | 267,098,078 | 16,512 | 23 |
| Lexington 5 | 234,734,225 | 16,489 | 24 |
| Cherokee | 139,939,900 | 16,415 | 25 |
| Florence 1 | 229,765,190 | 16,135 | 26 |
| Pickens | 248,555,974 | 15,887 | 27 |
| Spartanburg 3 | 50,034,139 | 15,376 | 28 |
| Colleton | 106,417,229 | 15,363 | 29 |
| Orangeburg 5 | 120,029,622 | 15,259 | 30 |
| Greenwood 50 | 128,194,150 | 15,171 | 31 |
| Anderson 1 | 105,630,595 | 15,120 | 32 |
| Aiken | 366,723,455 | 15,097 | 33 |
| Orangeburg 4 | 62,161,609 | 15,069 | 34 |
| Kershaw | 141,110,540 | 14,895 | 35 |
| Spartanburg 1 | 59,534,881 | 14,521 | 36 |
| Jasper | 41,059,663 | 14,478 | 37 |
| Clarendon 1 | 17,953,180 | 13,950 | 38 |
| Spartanburg 2 | 101,678,303 | 13,839 | 39 |
| Spartanburg 4 | 37,652,960 | 13,598 | 40 |
| Newberry | 78,959,873 | 13,514 | 41 |
| Saluda | 27,939,740 | 13,235 | 42 |
| Abbeville | 49,984,651 | 13,192 | 43 |
| Laurens 56 | 44,404,713 | 12,804 | 44 |
| Anderson 3 | 32,367,048 | 12,648 | 45 |
| Laurens 55 | \$ 73,427,736 | \$12,545 | 46 |

TABLE 89 (continued)

| Ranked Numerically | | | | |
|--------------------|------------------|--------------------------|----------------------|------|
| District | Local Revenue | 1998-99 ADM (K-12) | Revenue Per Pupil | Rank |
| York 2 | \$ 23,503,546 | 4,301 | \$5,465 | 1 |
| Fairfield | 17,350,071 | 3,615 | 4,799 | 2 |
| Spartanburg 5 | 19,483,750 | 5,196 | 3,750 | 3 |
| Spartanburg 7 | 33,302,797 | 9,000 | 3,700 | 4 |
| Oconee | 34,438,039 | 9,944 | 3,463 | 5 |
| Beaufort | 52,237,476 | 15,589 | 3,351 | 6 |
| Spartanburg 3 | 10,088,375 | 3,254 | 3,100 | 7 |
| Calhoun | 6,293,094 | 2,045 | 3,077 | 8 |
| Georgetown | 31,524,900 | 10,336 | 3,050 | 9 |
| Richland 1 | 81,906,627 | 26,914 | 3,043 | 10 |
| Horry | 78,672,490 | 27,043 | 2,909 | 11 |
| Greenwood 52 | 4,460,202 | 1,602 | 2,784 | 12 |
| Anderson 4 | 6,643,425 | 2,492 | 2,666 | 13 |
| Dorchester 4 | 6,342,437 | 2,394 | 2,649 | 14 |
| Spartanburg 1 | 10,144,999 | 4,100 | 2,474 | 15 |
| York 4 | 11,364,664 | 4,719 | 2,408 | 16 |
| Lexington 2 | 21,377,548 | 8,974 | 2,382 | 17 |
| Cherokee | 20,140,749 | 8,525 | 2,363 | 18 |
| Darlington | 25,744,580 | 10,915 | 2,359 | 19 |
| Lexington 5 | 33,441,987 | 14,236 | 2,349 | 20 |
| Richland 2 | 37,375,338 | 16,176 | 2,311 | 21 |
| Spartanburg 6 | 20,382,460 | 8,851 | 2,303 | 22 |
| Orangeburg 5 | 17,914,792 | 7,866 | 2,277 | 23 |
| McCormick | 2,731,639 | 1,204 | 2,269 | 24 |
| York 3 | 31,710,324 | 14,126 | 2,245 | 25 |
| Spartanburg 4 | 5,990,186 | 2,769 | 2,163 | 26 |
| Lexington 1 | 33,759,986 | 15,825 | 2,133 | 27 |
| Lexington 3 | 4,798,700 | 2,290 | 2,096 | 28 |
| Greenwood 50 | 17,653,176 | 8,450 | 2,089 | 29 |
| Charleston | 89,646,604 | 43,439 | 2,064 | 30 |
| Anderson 5 | 22,177,594 | 10,760 | 2,061 | 31 |
| Bamberg 2 | 2,349,939 | 1,140 | 2,061 | 31 |
| Allendale | 4,309,502 | 2,094 | 2,058 | 33 |
| Spartanburg 2 | 15,029,777 | 7,347 | 2,046 | 34 |
| Newberry | 11,897,935 | 5,843 | 2,036 | 35 |
| Anderson 2 | 6,919,377 | 3,460 | 2,000 | 36 |
| Anderson 1 | 13,933,550 | 6,986 | 1,994 | 37 |
| Florence 5 | 2,849,586 | 1,429 | 1,994 | 37 |
| Orangeburg 4 | 8,066,682 | 4,125 | 1,956 | 39 |
| Greenville | 111,506,316 | 57,480 | 1,940 | 40 |
| York 1 | 9,333,447 | 4,839 | 1,929 | 41 |
| Hampton 2 | 2,768,816 | 1,506 | 1,839 | 42 |
| Greenwood 51 | 2,206,270 | 1,230 | 1,794 | 43 |
| Union | 8,806,308 | 5,059 | 1,741 | 44 |
| Kershaw | 16,447,363 | 9,474 | 1,736 | 45 |
| Barnwell 29 | \$ 1,794,530 | 1,040 | \$1,726 | 46 |

TABLE 94 (continued)

| Ranked Numerically | | | | |
|--------------------|---|--------------------------|---|------|
| District | Local Taxes for Current Operations | 1998-99 ADM (K-12) | Local Taxes Per Pupil for Current Operations | Rank |
| York 2 | \$ 22,050,156 | 4,301 | \$5,127 | 1 |
| Fairfield | 15,760,789 | 3,615 | 4,360 | 2 |
| Spartanburg 5 | 17,506,202 | 5,196 | 3,369 | 3 |
| Spartanburg 7 | 29,759,451 | 9,000 | 3,307 | 4 |
| Beaufort | 47,878,050 | 15,589 | 3,071 | 5 |
| Oconee | 30,277,719 | 9,944 | 3,045 | 6 |
| Spartanburg 3 | 9,155,311 | 3,254 | 2,814 | 7 |
| Georgetown | 28,246,726 | 10,336 | 2,733 | 8 |
| Calhoun | 5,579,495 | 2,045 | 2,728 | 9 |
| Richland 1 | 73,222,524 | 26,914 | 2,721 | 10 |
| Horry | 69,338,570 | 27,043 | 2,564 | 11 |
| Dorchester 4 | 5,599,064 | 2,394 | 2,339 | 12 |
| Anderson 4 | 5,747,556 | 2,492 | 2,306 | 13 |
| Greenwood 52 | 3,690,925 | 1,602 | 2,304 | 14 |
| Spartanburg 1 | 8,432,788 | 4,100 | 2,057 | 15 |
| Darlington | 22,433,937 | 10,915 | 2,055 | 16 |
| Orangeburg 5 | 16,060,381 | 7,866 | 2,042 | 17 |
| Lexington 2 | 18,203,283 | 8,974 | 2,028 | 18 |
| Spartanburg 6 | 17,402,385 | 8,851 | 1,966 | 19 |
| Cherokee | 16,755,425 | 8,525 | 1,965 | 20 |
| York 4 | 9,246,083 | 4,719 | 1,959 | 21 |
| York 3 | 26,378,160 | 14,126 | 1,867 | 22 |
| McCormick | 2,219,126 | 1,204 | 1,843 | 23 |
| Allendale | 3,846,756 | 2,094 | 1,837 | 24 |
| Charleston | 77,342,679 | 43,439 | 1,780 | 25 |
| Lexington 5 | 25,200,737 | 14,236 | 1,770 | 26 |
| Richland 2 | 28,540,847 | 16,176 | 1,764 | 27 |
| Bamberg 2 | 1,992,741 | 1,140 | 1,748 | 28 |
| Spartanburg 4 | 4,783,605 | 2,769 | 1,728 | 29 |
| Newberry | 10,074,101 | 5,843 | 1,724 | 30 |
| Anderson 5 | 18,314,060 | 10,760 | 1,702 | 31 |
| Lexington 1 | 26,877,287 | 15,825 | 1,698 | 32 |
| Greenwood 50 | 14,244,686 | 8,450 | 1,686 | 33 |
| Hampton 2 | 2,440,024 | 1,506 | 1,620 | 34 |
| York 1 | 7,659,610 | 4,839 | 1,583 | 35 |
| Spartanburg 2 | 11,511,907 | 7,347 | 1,567 | 36 |
| Greenville | 89,007,121 | 57,480 | 1,548 | 37 |
| Orangeburg 4 | 6,174,928 | 4,125 | 1,497 | 38 |
| Florence 5 | 2,133,346 | 1,429 | 1,493 | 39 |
| Lexington 3 | 3,398,419 | 2,290 | 1,484 | 40 |
| Anderson 2 | 5,083,667 | 3,460 | 1,469 | 41 |
| Berkeley | 37,896,908 | 26,207 | 1,446 | 42 |
| Greenwood 51 | 1,766,798 | 1,230 | 1,436 | 43 |
| Kershaw | 13,575,072 | 9,474 | 1,433 | 44 |
| Orangeburg 3 | 5,767,184 | 4,057 | 1,422 | 45 |
| Anderson 1 | \$ 9,610,254 | 6,986 | \$1,376 | 46 |

TABLE 95 (continued)

| Ranked Numerically | | | | |
|--------------------|----------------------|--------------------------|-----------------------------------|------|
| District | Total Local Taxes | 1998-99 ADM (K-12) | Total Local Taxes Per Pupil | Rank |
| York 2 | \$ 28,652,284 | 4,301 | \$6,662 | 1 |
| Fairfield | 18,613,457 | 3,615 | 5,149 | 2 |
| Beaufort | 66,700,922 | 15,589 | 4,279 | 3 |
| Oconee | 36,344,334 | 9,944 | 3,655 | 4 |
| Spartanburg 5 | 18,711,866 | 5,196 | 3,601 | 5 |
| Spartanburg 7 | 31,802,198 | 9,000 | 3,534 | 6 |
| Anderson 4 | 8,045,446 | 2,492 | 3,229 | 7 |
| Richland 1 | 86,848,079 | 26,914 | 3,227 | 8 |
| Horry | 86,199,636 | 27,043 | 3,188 | 9 |
| Spartanburg 3 | 10,188,214 | 3,254 | 3,131 | 10 |
| Calhoun | 6,391,218 | 2,045 | 3,125 | 11 |
| Georgetown | 32,197,414 | 10,336 | 3,115 | 12 |
| York 4 | 14,439,463 | 4,719 | 3,060 | 13 |
| Newberry | 16,039,780 | 5,843 | 2,745 | 14 |
| York 3 | 37,957,155 | 14,126 | 2,687 | 15 |
| Cherokee | 22,503,402 | 8,525 | 2,640 | 16 |
| Greenwood 52 | 4,142,356 | 1,602 | 2,586 | 17 |
| Lexington 5 | 36,522,572 | 14,236 | 2,566 | 18 |
| Richland 2 | 40,594,848 | 16,176 | 2,510 | 19 |
| Dorchester 4 | 5,990,138 | 2,394 | 2,502 | 20 |
| Orangeburg 5 | 19,399,903 | 7,866 | 2,466 | 21 |
| Spartanburg 6 | 21,611,559 | 8,851 | 2,442 | 22 |
| Anderson 5 | 25,938,380 | 10,760 | 2,411 | 23 |
| Lexington 2 | 21,220,470 | 8,974 | 2,365 | 24 |
| Greenville | 134,437,491 | 57,480 | 2,339 | 25 |
| Spartanburg 1 | 9,136,490 | 4,100 | 2,228 | 26 |
| Orangeburg 4 | 9,128,724 | 4,125 | 2,213 | 27 |
| Darlington | 23,669,471 | 10,915 | 2,169 | 28 |
| Bamberg 2 | 2,459,168 | 1,140 | 2,157 | 29 |
| Charleston | 93,530,771 | 43,439 | 2,153 | 30 |
| Allendale | 4,473,162 | 2,094 | 2,136 | 31 |
| Lexington 3 | 4,683,976 | 2,290 | 2,045 | 32 |
| York 1 | 9,818,014 | 4,839 | 2,029 | 33 |
| Lexington 1 | 31,482,456 | 15,825 | 1,989 | 34 |
| McCormick | 2,333,720 | 1,204 | 1,938 | 35 |
| Chester | 12,776,437 | 6,687 | 1,911 | 36 |
| Greenwood 50 | 16,138,284 | 8,450 | 1,910 | 37 |
| Orangeburg 3 | 7,686,755 | 4,057 | 1,895 | 38 |
| Florence 5 | 2,685,138 | 1,429 | 1,879 | 39 |
| Kershaw | 17,447,854 | 9,474 | 1,842 | 40 |
| Spartanburg 4 | 5,067,830 | 2,769 | 1,830 | 41 |
| Clarendon 1 | 2,335,691 | 1,287 | 1,815 | 42 |
| Hampton 2 | 2,682,909 | 1,506 | 1,781 | 43 |
| Spartanburg 2 | 12,946,071 | 7,347 | 1,762 | 44 |
| Edgefield | 7,230,088 | 4,111 | 1,759 | 45 |
| Dorchester 2 | \$ 28,444,382 | 16,510 | \$1,723 | 46 |

TABLE 100 (continued)

| Ranked Numerically | | | | |
|--------------------|----------------------------|-----------------|---------------|------|
| District | Tax Levy in Mills, 1998-99 | | Total Levy | Rank |
| | Current Operations | Debt Service | | |
| Marion 1 | 137.00 | 9.00 | 146.00 | 46 |
| Chesterfield | 131.55 | 14.25 | 145.80 | 48 |
| Marlboro | 125.00 | 20.00 | 145.00 | 49 |
| Laurens 55 | 121.00 | 23.00 | 144.00 | 50 |
| Clarendon 1 | 89.20 | 54.50 | 143.70 | 51 |
| Spartanburg 6 | 119.10 | 22.50 | 141.60 | 52 |
| Laurens 56 | 121.00 | 19.00 | 140.00 | 53 |
| Darlington | 133.20 | 6.60 | 139.80 | 54 |
| Abbeville | 119.00 | 20.70 | 139.70 | 55 |
| Orangeburg 4 | 93.00 | 45.00 | 138.00 | 56 |
| Calhoun | 121.00 | 16.00 | 137.00 | 57 |
| Greenville | 95.10 | 39.50 | 134.60 | 58 |
| Greenwood 50 | 120.70 | 12.80 | 133.50 | 59 |
| Spartanburg 4 | 125.90 | 7.60 | 133.50 | 59 |
| Anderson 3 | 112.15 | 21.25 | 133.40 | 61 |
| Florence 3 | 120.80 | 11.00 | 131.80 | 62 |
| Barnwell 29 | 128.00 | 3.00 | 131.00 | 63 |
| Marion 2 | 114.00 | 17.00 | 131.00 | 63 |
| Oconee | 111.10 | 19.60 | 130.70 | 65 |
| Spartanburg 2 | 116.70 | 13.60 | 130.30 | 66 |
| Williamsburg | 126.00 | 4.00 | 130.00 | 67 |
| Jasper | 112.81 | 17.10 | 129.91 | 68 |
| Horry | 106.30 | 22.00 | 128.30 | 69 |
| Colleton | 117.00 | 10.00 | 127.00 | 70 |
| Aiken | 94.00 | 28.80 | 122.80 | 71 |
| York 2 | 94.00 | 28.00 | 122.00 | 72 |
| Pickens | 102.40 | 17.50 | 119.90 | 73 |
| Anderson 2 | 107.00 | 10.00 | 117.00 | 74 |
| Greenwood 51 | 108.10 | 8.20 | 116.30 | 75 |
| McCormick | 107.00 | 5.00 | 112.00 | 76 |
| Florence 1 | 92.90 | 17.00 | 109.90 | 77 |
| Charleston | 90.00 | 15.60 | 105.60 | 78 |
| Barnwell 19 | 105.00 | 0.00 | 105.00 | 79 |
| Dillon 2 | 100.00 | 5.00 | 105.00 | 79 |
| Clarendon 2 | 78.80 | 23.60 | 102.40 | 81 |
| Beaufort | 75.70 | 23.80 | 99.50 | 82 |
| Anderson 1 | 81.25 | 15.50 | 96.75 | 83 |
| Dillon 1 | 85.00 | 5.00 | 90.00 | 84 |
| Dillon 3 | 85.00 | 5.00 | 90.00 | 84 |
| Greenwood 52 | 29.90 | 4.80 | 34.70 | 86 |
| Weighted Average | 118.60 | 26.02 | 144.62 | |
| District Median | | | 150.30 | |

*See "References for Tables."

COMPREHENSIVE ANNUAL FINANCIAL REPORT



YORK COUNTY, NORTH CAROLINA
Fiscal Year Ended June 30, 2000

Seal of
YORK COUNTY

Eric P. Sutton, JCEO, CPA
Chief Executive/Finance Director

Alfred W. Greene
County Manager

YORK COUNTY, SOUTH CAROLINA
Comprehensive Annual Financial Report
For the fiscal year ended June 30, 2000

ISSUED BY
YORK COUNTY
Management and Finance Departments

Alfred W. Greene
Interim County Manager

Anne P. Bunton, CGFO, CPA
Treasurer/Finance Director

YORK COUNTY, SOUTH CAROLINA
PRINCIPAL TAXPAYERS
For the year ended June 30, 2000

| <u>Taxpayer</u> | <u>Type of Business</u> | <u>All Property Assessed Valuation</u> | <u>Percentage of Total Assessed Valuation</u> | <u>County Taxes Paid</u> |
|---|---|--|---|----------------------------------|
| North Carolina Municipal Power Agency | Utility | \$ 60,590,360 | 9.13 % | \$ 13,129,931 |
| North Carolina Electric Membership Association | Utility | 51,035,420 | 7.69 | 11,059,376 |
| Duke Power | Utility | 28,007,340 | 4.22 | 6,329,077 |
| Bowater Carolina Corporation | Manufacturer of paper products | 20,541,709 | 3.09 | 4,841,917 |
| Piedmont Municipal Power Agency | Utility | 21,101,860 | 3.18 | 4,572,773 |
| Saluda River Electric Cooperative | Utility | 17,103,730 | 2.58 | 3,706,378 |
| Hoechst Celanese Corporation | Cellulose, acetate, filament staple and manufacturing | 5,338,440 | 0.80 | 1,337,423 |
| Rock Hill Telephone | Telephone Utility | 5,175,760 | 0.78 | 1,258,032 |
| York Electric Cooperative | Utility | 4,241,990 | 0.64 | 1,027,435 |
| Biggers Brothers | Distribution Facility | 2,569,463 | 0.39 | 641,595 |
| Totals | | \$ <u>215,706,072</u> | | \$ <u>47,903,937</u> |

Sources: York County Auditor and York County Treasurer.

SCHEDULE I-13

YORK COUNTY, SOUTH CAROLINA
ASSESSED VALUE OF PROPERTY AND TAX DOLLARS LEVIED ON ASSESSED PROPERTIES
For the year ended June 30, 2000

Tax Year 1999

| | Assessed Value of Property | | | | County Total | Tax Dollars Levied on Assessed Property | | | | |
|---------------------|----------------------------|-----------------------|--------------------------|--------------------------|-----------------|---|-----------------------|--------------------------|--------------------------|-----------------|
| | York District #1 | Clover District #2 | Rock Hill District #3 | Fort Mill District #4 | | York District #1 | Clover District #2 | Rock Hill District #3 | Fort Mill District #4 | County Total |
| REAL AND PERSONAL | | | | | | | | | | |
| Original assessment | \$ 42,391,689 | \$ 216,190,739 | \$ 199,932,200 | \$ 75,440,900 | \$ 533,955,528 | \$ 10,072,007 | \$ 46,233,985 | \$ 18,407,105 | \$ 123,394,517 | \$ 198,107,614 |
| Supplementals | 3,281,483 | 54,007,898 | 25,923,582 | 9,730,657 | 92,943,620 | 744,218 | 6,104,500 | 2,289,511 | 20,839,870 | 29,978,099 |
| Abatements | (1,229,778) | (52,337,945) | (11,353,612) | (3,350,534) | (68,271,869) | (281,190) | (2,973,139) | (831,996) | (15,417,141) | (19,503,466) |
| Total | 44,443,394 | 217,860,692 | 214,502,170 | 81,821,023 | 558,627,279 | 10,535,035 | 49,365,346 | 19,864,620 | 128,817,246 | 208,582,247 |
| VEHICLES | | | | | | | | | | |
| Original assessment | 11,953,680 | 14,381,830 | 44,678,093 | 16,640,000 | 87,653,603 | 2,887,078 | 10,837,752 | 4,107,493 | 20,878,882 | 38,711,205 |
| Supplementals | 6,238,063 | 6,140,032 | 20,946,645 | 8,047,469 | 41,372,209 | 1,486,733 | 4,594,626 | 1,971,484 | 9,333,466 | 17,386,309 |
| Abatements | (3,872,730) | (3,176,890) | (12,130,096) | (4,719,860) | (23,899,576) | (930,775) | (2,920,485) | (1,157,154) | (5,677,715) | (10,686,129) |
| Total | 14,319,013 | 17,344,972 | 53,494,642 | 19,967,609 | 105,126,236 | 3,443,036 | 12,511,893 | 4,921,823 | 24,534,633 | 45,411,385 |
| Grand total | \$ 58,762,407 | \$ 235,205,664 | \$ 267,996,812 | \$ 101,788,632 | \$ 663,753,515 | \$ 13,978,071 | \$ 61,877,239 | \$ 24,786,443 | \$ 153,351,879 | \$ 253,993,632 |

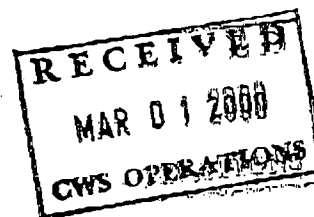
Source: York County Auditor



COUNTY MANAGER'S OFFICE

Post Office Box 66, York, South Carolina 29745
Tel: (803) 684-8511 • Fax: (803) 684-8550

February 29, 2000



Mr. Bruce Haas
Regional Manager
Carolina Water Service, Inc.
Post Office Box 240705
Charlotte, North Carolina 28224

Dear Bruce:

The York County Council recently considered the request made by your company for relief from charges for water received during late August and early September. In an effort to be responsive and responsible to our customers, the County Council approved your request and is providing a credit to all customer's accounts who received the poor quality water. Even though the problems were caused by a malfunction at the City of York's water treatment facility and it was beyond the County's control, we feel that our customers should be compensated in some manner.

We agree with the computation of the credit due your company as outlined in your request. For this reason your account has been credited in the amount of \$ 12,902.34. We are confident that you will find an equitable manner in which to pass this credit on to your retail customers.

We apologize for the inconvenience caused to your company and customers as a result of the poor quality water. We also appreciate your patience during the weeks in which you were dealing with the problem.

If there are any questions or if we can be of assistance in any way, please call.

Sincerely,


Al Greene
Interim County Manager

POSTED
7/22/96

BEFORE

THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NO. 96-040-W/S

S.C. PUBLIC SERVICE COMMISSION

RECEIVED
JUL 16 1996

ACCEPTED
Legal CD Order 7-18-96

| | | |
|--|---|-------------------|
| IN RE: Request of Carolina Water Service, Inc. |) | MOTION TO |
| for Recovery of Costs for Bulk Water |) | WITHDRAW PETITION |
| and Sewer Services for River Hills |) | TO INTERVENE |
| Service Area in York County, |) | |
| South Carolina |) | |

Stephen F. Kelly, P.E. representing the River Hills Community, Inc., respectfully petitions the South Carolina Public Service Commission for permission to withdraw its petition to intervene in the above referenced Docket and represents as follows:

1. On February 12, 1996 Carolina Water Service, Inc. filed an Application requesting approval of a new schedule of rates and charges for its water and sewer service customers in South Carolina.

2. The Commission has assigned Docket #96-040-W/S to this matter.

3. Stephen F. Kelly, P.E. is duly appointed by the River Hills Community Association, Inc. to represent their interests in this hearing regarding the above named docket.

4. The River Hills Community Association, Inc. position is that:

A. On July 11, 1996 the Consumer Advocate's office was kind enough to forward a copy of page 35 of the order No. 94-484 dated May 31, 1994 with regard to the water distribution charge that states as follows:

".....The Company proposed to increase the water distribution charge of \$1.50/1,000 gallons to \$1.50/1,000 gallons for those customers for whom CWS may provide bulk water service. CWS has provided an exhibit (Hearing exhibit #2) which indicates that the cost of distributing purchased water, after receipt of an \$8.00/month BFC, is \$1.85/1,000 gallons based on average usage of 6,600 gallons/month per customer. This exhibit was not challenged at the hearing and the rate was fully justified.

S. C. PUBLIC SERVICE COMMISSION
RECEIVED
JUL 22 1996
UTILITIES DEPARTMENT

RETURN DATE: _____

SERVICE: _____

Therefore the Commission approves 1.85/1,000 gallons as a water distribution charge. (13.)

13. The increase to the water distribution charge is not applicable to Riverhills Subdivision. The appropriate water distribution charge for Riverhills Subdivision shall be considered in a separate proceeding at such time as a bulk water contract is filed with the Commission.....”

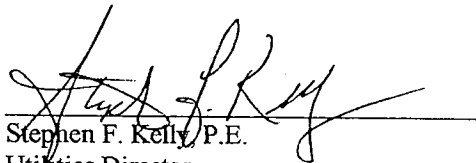
- B. The above order supersedes all other interpretations by individuals involved in the Docket.
- C. Carolina Water Service has continually (and accurately) and cosistently maintained the position stated in item A above
- D. We have repeatedly asked for other interpretations as to the disposition of both the water distribution charges and the Bulk Service charges. The letter received from Ms. Becky Meacham (attached as Exhibit #1) was the first and only response received other than from CWS until the Consumer Affairs office provided a copy of the 1994 order.
- E. The only charges that appear to be addressable at this hearing are those of the Bulk Water & Sewer charges and not the Distribution Water and Sewer Charges.
- F. We have found ourselves to be in a position due to the above that places us in an adversarial position against the institution of Bulk Water & Sewer service if we continue to intervene.
- G. It is our faith in the Consumer Advocate's office (who has also intervened) and in the obligation of the South Carolina Public Service Commission to determine that the charges by York County are Fair and Reasonable as direct pass through to CWS customers..
- H. It is recognized that this Docket has the ability to destroy the very concept of a regional water system, alienate our neighbors, and hinder the growth of the entire region should the outcome of this hearing disallow the interconnect. We have as a community decided to take the position that the Commission will be fair in reviewing the County charges - while still realizing that the customer's overall water and sewer charges (combined distribution and bulk) will be increased tremendously. We continue to oppose the final effect of the combined distribution & bulk rate; however,

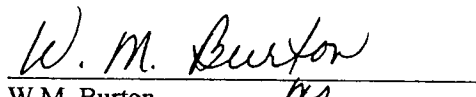
we feel the effects of disallowing the interconnect at this point (should that be a final result) would be far more disastrous.


- I. It is recognized that our opposition and therefore our intervention pertains to the distribution charges, services, and practices of the "Distributor", and all testimony would be considered irrelevant to this hearing - and probably properly so.
- J. Documentation with regard to the original Petition to Intervene can be reserved for separate action or updated for the next pending docket that pertains to the distribution charges and the "Distributor"

WHEREFORE, the Petitioner, in order to represent the best interests of the citizens of the River Hills Community Association, Inc., located in York County, South Carolina, requests:

- 1. that the Commission grants this Petition to withdraw its filed Petition to Intervene as a formal party of record on behalf of the River Hills Community Association, Inc.


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March 15, 1996

***MARK W. ERWIN,
RIVERHILLS,
&
OTHER LAKE WYLIE CONSUMERS,
COMPLAINANTS,
VS.
CAROLINA WATER SERVICE, INC.***

Docket No. 97-464-W/S

MARCH 10, 1998

***Testimony of
Gary E. Walsh
South Carolina Public Service Commission***

1 **Q. MR. WALSH, WHY ARE THE RIVERHILLS CUSTOMERS CHARGES**
2 **LESS THAN SIMILAR CHARGES APPROVED FOR OTHER CWS**
3 **CUSTOMERS?**

4 **A.** The Riverhills Subdivision was excluded from consideration in CWS's most recent
5 general rate case.

6 **Q. MR. WALSH, ARE YOU AWARE OF ANY OTHER BULK AGREEMENTS**
7 **WHICH ARE IN PLACE IN AREAS SERVED BY CWS?**

8 **A.** Yes, CWS has a number of customers in Richland and Lexington counties who are
9 receiving bulk water service today.

10 **Q. WHAT WHOLESALE WATER RATE ARE THE CUSTOMERS IN**
11 **RICHLAND AND LEXINGTON COUNTIES PAYING TO THE**
12 **GOVERNMENT BODY OR AGENCY PROVIDING THE BULK WATER?**

13 **A.** The CWS customers served through bulk water agreements in Richland and
14 Lexington county are paying a bulk water rate of \$1.90 per 1,000 gal.

15 **Q. MR. WALSH, ARE YOU FAMILIAR WITH THE ISSUE REGARDING THE**
16 **INCLUSION OF A CAP OF 10,000 GALLONS OF WATER BEING**
17 **UTILIZED IN CALCULATING THE COUNTY'S SEWER TREATMENT**
18 **CHARGE?**

19 **A.** Yes, the notice which was provided to all residential customers in the CWS service
20 area in York County reflected a \$3.47 per 1,000 gals. of water charge for sewer
21 treatment capped at 10,000 gallons of water consumption per month.
22 The notice in this matter was provided based on rates which were filed for
23 Commission approval in Docket No. 95-794-W/S. Subsequent to the notice being
24 provided, the Company withdrew its application in that docket. Therefore, the rates
25 currently in effect for residential customers in CWS's service territory in York
26 County are those approved by the Commission in Order No. 94-484.

27 **Q. MR. WALSH, WHAT IS YOUR POSITION CONCERNING THE VARIOUS**
28 **COMPLAINTS RECEIVED FROM CWS CUSTOMERS IN YORK COUNTY**
29 **RELATED TO THE HIGH COST OF WATER AND SEWER SERVICE?**

1 A. It is my position that the high cost of water and sewer service in the CWS service
2 area in York County is the result of the increasing cost of bulk water provided by
3 York County. At the time this Commission noticed the impact of receiving water
4 service under the bulk agreement, York County's wholesale charge was \$2.82 per
5 1,000 gals. Staff is now informed that the County has increased the wholesale water
6 rate from \$2.82 per 1,000 gals. to \$3.11 per 1,000 gals.

7 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

8 A. Yes, it does.